

AMENDING DISTRICT OF COLUMBIA CHARITABLE SOLICITATION ACT

FRIDAY, JANUARY 10, 1964

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE No. 4 OF THE
COMMITTEE ON THE DISTRICT OF COLUMBIA,
Washington, D.C.

The subcommittee met, pursuant to recess, at 11 a.m., in room 445-A, Cannon House Office Building, Hon. John Dowdy (chairman of the subcommittee) presiding.

Present: Representatives Dowdy, Huddleston, Sisk, Harsha, and Horton.

Also present: James T. Clark, clerk; Hayden S. Garber, counsel; Donald J. Tubridy, minority clerk; and Leonard O. Hilder, investigator.

Mr. Dowdy. Subcommittee No. 4 will resume hearings on H.R. 5990, which was introduced by me, to amend the District of Columbia Charitable Solicitation Act, which was introduced because of the granting of a certificate to the homosexual society, the Mattachine Society of Washington, to solicit charitable contributions.

If you will come forward, please, Mr. Kneipp.

Mr. Kneipp, if you will give your name and official title to the reporter.

STATEMENT OF ROBERT F. KNEIPP, ESQ., ASSISTANT CORPORATION COUNSEL, DISTRICT OF COLUMBIA

Mr. KNEIPP. I am Robert F. Kneipp, assistant corporation counsel, District of Columbia.

Mr. Chairman, the committee may recall that at the beginning of hearings on H.R. 5990 I presented the report of the Commissioners objecting to the enactment of the bill for two reasons.

The first section of the bill would have required the District to make an affirmative finding in every application for a charitable solicitation, certificate of registration, that the person or organization or association making such application was conducting a solicitation which would benefit or assist in promoting the health, welfare, or morals of the District of Columbia, and the objection of the Commissioners to that was that it would create a considerable administrative burden. I think there are about 163 organizations registered in the District of Columbia—this is approximate—to conduct solicitations, and many of them register more than once a year. This would create some problem.

The second section of the bill was directed at one organization. The Commissioners objected to that section on the ground that it raised constitutional questions.

After the hearing the Commissioners proceeded to act against the certificate of registration issued to the Mattachine Society on the ground that some of the information contained in the application submitted by the society was not true, and on September 10, 1963, the Director of the Department of Licenses and Inspections issued a show-cause letter to the Mattachine Society directing the responsible persons of that society to show cause why the certificate of registration issued to the society should not be revoked for the following reasons:

One, the application for such certificate filed with the License Branch, Department of Licenses and Inspections on July 29, 1963, contains false information; to wit, the names of the vice president, secretary, and treasurer of the Mattachine Society of Washington are not the true names of such officers.

Interpolating at that point, Mr. Chairman, that information was developed by this committee in the course of the hearing on H.R. 5990 and was reviewed by District officials preliminary to issuing this show-cause letter.

Continuing—Two, the certificate dated July 26, 1963, filed in support of the application for certificate of registration under the Charitable Solicitation Act, is signed by the secretary of the Mattachine Society by a name other than his true name.

Three, the society has failed to furnish information concerning the names and addresses of the persons to whom solicitor information cards have been issued in accordance with the requirements of section 5.3 of the Charitable Solicitation Regulations for the District of Columbia.

Then the show-cause letter continues, saying that the hearing will be held at 10 a.m. on September 24, 1963, in the District Building, and naming the hearing officer.

After the show-cause letter was issued the organization, through its attorney, requested a continuance. That continuance was granted and the show-cause hearing was set for October 7, 1963.

Mr. Dowdy. Who was the attorney representing them?

Mr. KNEIPP. Monroe H. Freedman.

Mr. Dowdy. He is the same person who appeared here as a witness, and was indefinite about whether he represented this homosexual group?

Mr. KNEIPP. Yes; he is an associate professor of law at the George Washington University Law School, I believe, and he also has some connection with the American Civil Liberties Union.

Before the hearing which was continued to October 7 could be held, Mr. Freedman wrote to Mr. Ilgenfritz, Director of Licenses and Inspections, saying that since the amount of the funds solicited by the organization was less than \$1,500 in any year, that in his view the Mattachine Society was exempt from the requirement for a certificate of registration.

Reading his letter to Mr. Ilgenfritz, letter dated September 30, 1963:

I have therefore advised the society that it is not required to obtain a certificate of registration in order to solicit funds with which to carry on all its activities in accordance with its constitution without limitation or qualification. Accordingly I am returning herewith the certificate dated August 1, 1963, and

100 solicitors information cards which were issued in response to an application filed by the society prior to its having received advice of counsel on this matter.

The society does not intend to make any application in the future until it is advised by counsel that it is obligated to do so.

In view of the foregoing I respectfully submit that the hearing scheduled for October 7, 1963, is moot, and that it be canceled.

MONROE H. FREEDMAN,
Attorney, Mattachine Society of Washington.

At that point, Mr. Chairman, the society had surrendered to the government of the District of Columbia the certificate of registration and the solicitor information cards which had been issued to it. I have them here. There is no longer any certificate of registration outstanding for the society nor are there any solicitor information cards in its possession.

That is the situation with respect to the show-cause hearing.

Mr. Dowdy. At this point, I will insert into the record letter dated October 11, 1963, from the president of the Board of Commissioners, to me, which confirms what you have just related.

(The letter referred to follows:)

GOVERNMENT OF THE DISTRICT OF COLUMBIA,
Executive Office,
Washington, October 11, 1963.

HON. JOHN DOWDY,
Chairman, Subcommittee No. 4, Committee on the District of Columbia,
U.S. House of Representatives, Washington, D.C.

MY DEAR MR. DOWDY: By letter dated August 15, 1963, you requested that the Commissioners give consideration to the revocation of the certificate of registration issued to the Mattachine Society under the authority of the District of Columbia Charitable Solicitation Act. By letter dated August 20, 1963, I informed you that I had referred your letter to the Corporation Counsel for his views.

The Corporation Counsel decided that, on the basis of the testimony before your subcommittee, there were sufficient grounds upon which to initiate revocation proceedings against the Mattachine Society. He then prepared a letter, dated September 10, 1963, signed by the Director, Department of Licenses and Inspections, District of Columbia, ordering the Mattachine Society to show cause why its certificate of registration issued under the authority of the District of Columbia Charitable Solicitation Act should not be revoked and specifying the grounds upon which the revocation proceedings were based, to wit, false information on the application. The hearing was scheduled for September 24, 1963.

Prior to the hearing, Monroe H. Freedman, Esq., attorney for the Mattachine Society, requested a continuance on the basis of just having been retained in the matter. A continuance was granted until October 7, 1963. By letter dated September 30, 1963, Mr. Freedman, on behalf of the Mattachine Society, surrendered to the Department of Licenses and Inspections the certificate of registration and the solicitors information cards issued to the society. Mr. Freedman stated that he had advised the society that inasmuch as they had collected approximately \$125 during calendar year 1962, approximately \$135 from January 1, 1963, through September 28, 1963, and only expected to collect approximately \$100 during the remainder of calendar year 1963, the society was exempt from the act by virtue of section 12.1 of the regulations promulgated thereunder, entitled "Exemptions of Small Solicitations totaling \$1,500 or less." The Corporation Counsel agreed that, pursuant to section 12.1 of the regulations, the Mattachine Society was not required to have a certificate of registration nor solicitors information cards; accordingly, the certificate of registration and the solicitors information cards were accepted and the hearing was canceled as being moot.

Please be advised that the Corporation Counsel's Office is presently preparing amendments to the charitable solicitation regulations to repeal the exemption and to further amend the regulations, insofar as possible pursuant to the provisions of the act, to make it as difficult as possible for secret organizations such as the Mattachine Society to be registered under the act and the regulations.

Sincerely yours,

WALTER N. TOBRINER, *President,*
Board of Commissioners, District of Columbia.

AMENDING D.C. CHARITABLE SOLICITATION ACT

Mr. KNEIPP. Now, going along in a somewhat parallel line was a letter written to the chairman of this committee by General Duke dated September 11 forwarding to the committee a proposed amendment of the District of Columbia Solicitation Act. For the record, I believe I will read the letter.

DEAR MR. DOWDY: Reference is made to our recent discussion concerning the pending legislative proposal and other action regarding the Mattachine Society.

The Office of the Corporation Counsel has prepared the enclosed draft of a bill to amend the District of Columbia Charitable Solicitation Act, but, for reasons set forth below, the Corporation Counsel and I feel strongly that this amendment should not be presently introduced.

After consultation with our attorneys, the Department of Licenses and Inspections, under date of September 10, 1963, sent to the Mattachine Society a notice to show cause why its registration should not be revoked, giving the society the required opportunity to be heard on this question. I enclose a copy of this notice, from which it will be immediately apparent to you that the bases for revocation are akin to the subject matter of the proposed amendment and that if the amendment is pending in Congress while the license revocation is being considered, counsel for the Mattachine Society will make capital thereof—perhaps with undesirable effect.

If there is any further information you desire in this matter, I shall be very happy to furnish it if I can.

Sincerely yours,

C. M. DUKE,
Brigadier General,
U.S. Army Engineer Commissioner.

I shall furnish the reporter a copy of that letter and a copy of the proposed amendment of the Charitable Solicitation Act.

Mr. Dowdy. They will be included in the record, along with a staff memorandum thereon.

(The letter referred to and amendment referred to follow:)

GOVERNMENT OF THE DISTRICT OF COLUMBIA,

EXECUTIVE OFFICE,

Washington, September 11, 1963.

Hon. JOHN DOWDY,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. DOWDY: Reference is made to our recent discussion concerning the pending legislative proposal and other action regarding the Mattachine Society.

The Office of the Corporation Counsel has prepared the enclosed draft of a bill to amend the District of Columbia Charitable Solicitation Act, but, for reasons set forth below, the Corporation Counsel and I feel strongly that this amendment should not be presently introduced.

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If there is any further information you desire in this matter, I shall be very happy to furnish it if I can.

Sincerely yours,

C. M. DUKE,
Brigadier General, U.S. Army Engineer Commissioner.

A BILL To amend the District of Columbia Charitable Solicitation Act, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (a) of section 5 of the District of Columbia Charitable Solicitation Act approved July 10, 1957 (71

Stat. 278; sec. 2-2104, D.C. Code, 1961 edition), is amended by inserting immediately before the period at the end thereof the following: "including, without limitation, the true names of the principal officers of each corporation and association filing any such application, and the correct address of the place of residence and place of employment of each such officer: *Provided*, That if any such officer be known to the general public by an assumed name, such assumed name may be employed in connection with the solicitation to be conducted by such corporation or association, if both the assumed name and the true name of such officer be stated in the application for such certificate: *Provided further*, That if any of the principal officers of any corporation or association filing any such application shall, within the five-year period immediately preceding such filing, have been known by any other name or names, or have used an assumed name or two or more such names, such other name or names shall be indicated on the application for such certificate, together with the true name of such officer: *Provided further*, That the Commissioners are authorized to require each applicant for a certificate of registration to furnish information concerning the place or places of each officer's residence with the five-year period preceding the date of filing, and the name and address of each such officer's employer during such five-year period."

Sec. 2. Section 6 of the District of Columbia Charitable Solicitation Act (sec. 2-2105, D.C. Code, 1961 edition), is amended by adding the following:

"(c) The Commissioners are authorized to require each person to whom a certificate of registration has been issued to furnish, for each individual given any solicitor information card supplied to such registrant or otherwise procured by him, full, complete and correct information as to the true name of such individual, his place of residence, and the name and address of his employer, if any."

STAFF MEMORANDUM No. 2

PRESENT LAW

As construed by the Commissioners, present law requires that all persons engaging in solicitation of funds for charitable purposes must secure sanction from the District government. However, their power is construed to be an automatic grant or approval with power to revoke where the applicant fails to meet the requirements of regulations.

Statute empowers the licensing authority to exempt applicants from registration where the solicitation will be less than \$1,500. Operatively, this places the color of approval of the District government on any applicant claiming exemption unless the District takes steps to revoke a grant of authority.

PROVISIONS OF H.R. 5990

The proposed bill would require that, as a condition precedent to registration or issuance of a permit, the Commissioners make certain findings that the solicitation is in the public interest as promoting the public health, welfare, safety, and morals of the community. This would require an affirmative showing by the applicant in addition to conforming to procedural regulations.

The Commissioners would require an application in each case except that, by regulation an exemption could be made to this requirement where the amount to be solicited was nominal or in any event less than the present statutory exemption of \$1,500.

In the case of a potentially exempt case, the Commissioners could require the routine application setting forth the aims and purposes of the solicitation, and deny the request where their finding was that the grant would not be in the public interest. In such case, the Commissioners would afford the applicant an appeal and public hearing.

NAMES OF APPLICANT

Included in the redraft would be the substance of the substitute draft of the Corporation Counsel regarding names, except that the first proviso clause would be omitted.

Mr. KNEIPP. This proposed amendment of the Charitable Solicitation Act would amend the act in such manner as to authorize the Commissioners to require that the true names of the principal officers of

each corporation and association filing an application for certificate of registration be stated, and the correct address and place of residence and place of employment, but there is a proviso saying that if any such officer be known by an assumed name, and there are persons who are generally known to the public by their assumed names, much more so than their real names, that assumed name may be used in connection with the solicitation if both the assumed name and the true name are stated in the application.

Then there is the further proviso which makes the principal officer state any names they may have been known by in the past 5 years, and authorizing the Commissioners to require each applicant for a certificate of registration to furnish information concerning the place or places of each officer's residence within the 5-year period preceding the date of filing, and name and address of each such officer and employer during such 5-year period.

Then, with respect to solicitor information cards, the proposed amendment authorizes the Commissioners to require the applicant for a certificate of registration, or one to whom such a certificate has been issued, to furnish full, complete, and correct information as to the true name of each person given a solicitor information card.

The object of this proposed amendment, Mr. Chairman, is to place the Commissioners in the position of being able to require that the true name of persons involved in this proposed solicitation, or engaged in such a solicitation, can be made known to the public.

The Charitable Solicitation Act is a disclosure act. It is not a regulatory act in that the Commissioners can deny an application, but it is a disclosure act. The Commissioners feel that they should be in a position to require that the true names of persons involved in solicitation should be made available to the public.

The proposed amendment meets with the approval of the Department of Licenses and Inspection which enforces this law, and I think it will have the effect of making it more likely that the information made available to the public in this matter is correct information, so I recommend that this committee consider amending the Charitable Solicitation Act so as to include this additional authority with the Commissioners.

Also, marching along with both the first matter I discussed and the second, there is a proposal that the charitable solicitation regulation be amended in certain respects. The Corporation Counsel, on October 17, 1963, forwarded to the Commissioners some proposed amendments of the charitable solicitation regulations which would require additional information from persons making application for a certificate of registration, and persons issued a solicitor information card, and would set up a change in the procedures with respect to the denial, suspension, or revocation of certificates of registration, and finally would eliminate the present \$1,500 exemption which is set forth in section 12 of the regulations.

The Commissioners, on October 24, 1963, ordered a public hearing held on November 8, 1963, for the purpose of considering the proposed regulations.

I shall furnish the reporter a copy of that notice of October 24, together with a copy of the proposed amendments of the charitable solicitation regulations.

(The information referred to follows:)

G.F. 1-010

GOVERNMENT OF THE DISTRICT OF COLUMBIA

EXECUTIVE OFFICE

Washington, D.C.

OCTOBER 24, 1963.

NOTICE OF PUBLIC HEARING

The Commissioners of the District of Columbia have ordered a public hearing to be held in the board room (room 5000), District Building, 14th and E Streets NW., Washington, D.C., on Friday, November 8, 1963, at 10 a.m., to afford interested persons an opportunity to appear and present their views and recommendations with respect to proposed amendments to the charitable solicitation regulations.

A copy of the proposed amendments is attached hereto.

Individuals and representatives of organizations wishing to be heard at this public hearing are requested to furnish their names, addresses, and telephone numbers, and the organization they represent, if any, in writing, to the secretary, Board of Commissioners, District of Columbia, room 509, District Building, Washington, D.C., not later than the close of business on Wednesday, November 6, 1963, so that their names may be placed on the list of witnesses. Others present at the hearing who wish to be heard may do so after those on the witness list have been called and heard. Written statements, in lieu of personal appearance or oral presentation, may be submitted for inclusion in the record.

F. L. TIMMONS, Jr.,

Acting Secretary to the Board.

(Officially published in the Star, October 28, 1963.)

PROPOSED AMENDMENTS TO CHARITABLE CONTRIBUTION REGULATIONS

(For public hearing, Friday, November 8, 1963, 10 a.m.)

G. F. 1-010

OCTOBER 24, 1963.

That the charitable solicitation regulations for the District of Columbia adopted by Commissioners' Order No. 58-1070, dated July 3, 1958, as amended, be and they hereby are amended as follows:

Section 3.1.(1) is amended to read as follows:

"(1) The name, residence, place of employment, and organization headquarters of the applicant and, if a corporation, the date and place of incorporation."

Section 3.1.(2) is amended to read as follows:

"(2) If the applicant is not an individual, the names, residences, places of employment, and organization headquarters of the applicant's principal officers and managers, and a copy, certified to by the person having charge of the applicant's records as a true and correct copy of the resolution authorizing the person or persons making application for such certificate of registration on behalf of the applicant to take such action."

Section 3.1.(5) is amended to read as follows:

"(5) The names, residences, and places of employment of all persons who will manage or have responsibility for managing the solicitation, including managerial personnel, who reside, are employed, or will solicit within or outside of the District of Columbia."

Section 3.1.(6) is amended to read as follows:

"(6) The names, residences, and places of employment of all persons by whom or at whose direction or under whose authority, the receipts or proceeds of such solicitation may be disbursed."

Section 3.1.(11) is amended to read as follows:

"(11) The names, residences, and places of employment of all professional fund raisers and professional solicitors who will or may be connected to any extent with the solicitation, the amount of wages, fees, commissions, expenses or emoluments to be paid to each professional fund raiser and professional solicitor, and a copy of the contract, if any, made by or on behalf of the applicant with each professional fund raiser and professional solicitor."

Section 5.2 is amended to read as follows:

"Sec. 5.2 Form: Each solicitor information card shall be serially numbered and shall bear the name, residence, and place of employment of the solicitor, the

number of the certificate of registration under the authority of which such solicitor solicits contributions, the name of the registrant, the dates within which solicitations may be made, a statement that the card does not constitute an endorsement of the solicitation by the District of Columbia or by any officer or employee thereof, and such other information or conditions as the Director may require."

Section 6. Notice and hearing and Section 7. Appeals, are amended to read as follows:

"SECTION 6. Notice of proposed denial, suspension, or revocation of certificates of registration.

"Sec. 6.1. Whenever the Director shall determine, in accordance with section 6.2(2) or section 6.2(3) hereof, that a certificate should not be issued, or that there has been a violation by a registrant of the act or of these regulations, he shall give notice to the applicant or to the registrant that he proposes to deny the application or to revoke or suspend the certificate, as the case may be, and that a hearing will be held by the Board of Appeals and Review, D.C., to determine whether the application will be denied or the certificate will be suspended or revoked.

"Sec. 6.2. The notice required by section 6.1 shall:

"(1) Be in writing and signed by the Director;

"(2) In the case of an applicant for a certificate, state in what respects the application is deficient and the ultimate facts upon which the Director relies;

"(3) In the case of a registrant, indicate the provision of the act or regulations allegedly violated and the ultimate facts upon which the Director relies;

"(4) State the proposed action of the Director;

"(5) State the time and place of the hearing to be held by the Board of Appeals and Review, which time shall be at least 10 calendar days following service of the notice;

"(6) Be served upon the applicant or registrant as the case may be.

"Such notice shall be served by certified mail at the address of the applicant or registrant furnished in accordance with section 3 hereof.

"SECTION 7. Hearings.

"Hearings held by the Board of Appeals and Review pursuant to section 6 of these regulations shall be governed by the rules of procedure of the Board of Appeals and Review, except that the provisions relating to the filing of appeals shall not apply. The decision of said Board shall constitute the final administrative action of the District of Columbia government.

Section 12. Exemption under section 4(d) of the act, and section 13, "Solicitations within memberships and work forces," are amended as follows:

"SECTION 12. Exemptions under section 4(d) of the act, is repealed in its entirety, and section 13 is renumbered section 12.

Mr. HARSHA. You say the proposed amendment strikes out the \$1,500 limitation?

Mr. KNEIPP. Yes; it does.

Mr. HARSHA. It has none, then? There is no exemption?

Mr. KNEIPP. There would be no exemption. Every person soliciting funds in any amount whatsoever under the proposed amendment would be required to come in and register with the District of Columbia before making any such solicitation.

This, then, would require among others the Mattachine Society if they made any solicitation at all to come in and register with the District.

I was designated by the Commissioners to be the hearing officer in that case. I recommended to the Commissioners in December of last year that they approve the proposed amendments of the regulations that would require applicants for certificates of registration to give additional information which would relate principally—

Mr. HORTON. You speak of this amendment I have in my hand?

Mr. KNEIPP. No, sir; the proposed amendments of the charitable solicitation regulations.

What you have is an amendment of the Charitable Solicitation Act itself.

I recommended to the Commissioners that they adopt so much of the proposed amendments as related to section 3 of the regulations relating to additional information from the applicants for certificates of registration.

I recommend against the proposed regulation which would require that additional information on the 200,000 annual solicitor information cards which are issued by the various organizations engaging in solicitation campaigns, that they adopt the proposed change in procedures.

Initially I recommended against removing the exemption because the testimony at the hearing indicated that the small neighborhood type of emergency solicitation was quite necessary in certain instances in the city.

For example, one of the witnesses said that without this neighborhood type of solicitation people could not in certain instances get a decent burial.

I say I recommended that initially. I discussed the matter with the Commissioners and the Commissioners directed me to prepare language which would allow the neighborhood type of emergency solicitations to be carried out, but they would eliminate the exemption with respect to all other types of solicitations.

On December 19 I furnished the Commissioners some language to amend the charitable solicitation regulations in such manner as to permit, in effect, the so-called neighborhood emergency type of solicitation to be made without registration with the District of Columbia, but all other solicitations made in the District of Columbia, except those specifically exempt by statute, the American Red Cross and churches, all other registrations involving solicitation of funds in any amount whatsoever, must be conducted under the authority of a certificate of registration issued by the District of Columbia.

A small neighborhood-type thing to collect money for the burial of a person, to take care of a distressed family, would not have to be conducted under the authority of such a registration, but other than those instances in which there is some sort of an emergency, some sort of distress, some sort of need on the part of a family or an individual in the neighborhood, all other solicitations would have to be conducted under a certificate of registration.

Mr. HARSHA. What if you had a boy's club or neighborhood baseball team that wanted to go to an exhibition or something and you needed \$50 for a bus?

Mr. KNEIPP. They would have to come in, make application for a certification of registration, pay the \$25 fee before they could go out and collect the \$50. That would not be the neighborhood type of emergency.

Mr. HARSHA. What was the original basis for the \$1,500 exemption?

Mr. KNEIPP. Just that, sir. At the time the Charitable Solicitation Act was originally considered the point was made, and accepted by the Congress, that there are occasions when there are neighborhood emergencies—a family falls on hard times, they may lose all of their property through a fire, some person may die and there would be no funds to provide a decent burial for them. This was made by a Mr. Thomas of the Federation of Civil Associations.

The point was accepted by the Congress to allow this type of emergency situation to be conducted without the necessity for a certificate of registration.

The way this \$1,500 exemption has worked out, though, it has been utilized, I understand, in many instances to avoid the effect of registering until after the fact. There is a 15-day waiting period in the act. You have to make application for your certificate of registration and then you have to wait 15 days before the certificate can issue. Many organizations let time slip by on them. They want to start conducting their solicitation, say, on January 15, and they find out today, January 10, that they have not made their application. So, they come in and say, "We are not going to collect more than \$1,500 and, if we do, then we will come in and register." It is a subterfuge.

So, the \$1,500 exemption in many instances has been used as a sort of loophole to get around the 15-day waiting period. The \$1,500 exemption has also been used for many neighborhood emergency-type situations, too. I am not saying it is not used for that.

The language presently pending before the Commissioners, and on which they have not yet acted, would allow the Director of Licenses and Inspections to satisfy himself that a proposed solicitation is in fact a neighborhood emergency and would not necessarily have to be conducted under the authority of a certificate of registration. All other types of solicitation, other than the neighborhood emergency type, would have to be so conducted.

Getting right down to cases, that means that the Mattachine Society and all others—this is not aimed at any particular group; this is aimed at all organizations that want to engage in charitable solicitation—would have to come in and register with the District before any solicitation could legally be conducted. As I emphasized at the first hearing on this bill, there is still no authority in the act for the Commissioners to deny a certificate of registration. If someone comes in and makes a showing that this has some charitable purpose and they want to operate under a certificate of registration, there is no authority which would allow the Commissioners to deny that.

Conceivably, and I think this has happened on occasion, it is possible for the Director of Licenses and Inspections to say, "This is not a charitable purpose and I am not going to issue a certificate of registration." If the organization would want to contest that, there is a question as to whether that action would be sustained.

Originally, at least some thought was given as to whether this should not be in the act. It was rejected in favor of making it a pure disclosure act, with no authority in the Commissioners to deny the application on the ground there was no charitable purpose involved.

The New York law does contain a section which allows the attorney general of the State to proceed against the certificate of registration issued to an organization if he makes certain findings, but even the New York law, as I read it, does not go so far as to allow the attorney general to revoke a certificate of registration on the grounds that the issuance of that certificate is not in the public interest. It is more designed to prevent fraud and to prevent too much of the solicited funds being devoted to administrative purposes. But it does not go to the public interest aspect of the problem.

Whether this committee would want to consider that, of course, is up to it. The Commissioners have not taken any position on this aspect of the problem—I have not even discussed it with them, actually—as to whether they want authority to be able to deny a certificate of registration on the ground that the solicitation conducted by the organization is not in the public interest, spelling out, of course, what “public interest” involves and setting standards.

As things now stand—

Mr. HORTON. On that point, could I ask you this. Have you had any instances where there has been misuse of the funds which have been solicited by charitable organizations? Has this come to the Corporation Counsel's attention?

Mr. KNEIPP. No, sir. The Charitable Solicitation Act is somewhat amusing in one respect, as I understand its operation. I do not know of a single instance in which a member of the public has appeared at the District Building to inspect the application and the report of a charity, and it would make very little sense to me, if someone were solicited for 50 cents or a dollar, to expect him to run down to the District Building to check out whether this is truly a charity. So, from the standpoint of the purpose of the act, the disclosure idea, as far as the general public is concerned, I do not think the act has accomplished its purpose, but it has had a beneficial result in another way. I understand that representatives of the various charities check each other, that the representatives will go down and examine the application and the report and see what is being collected and what is being done with the funds. So, there is a sort of built-in self-policing operation on the part of the charities. I understand this generally seems to be what is happening.

So, if there were any fraud or any defalcation or any misuse of solicited funds, I rather imagine, Mr. Horton, that some representative of a charity would point this out to the District.

Mr. HORTON. Is it the job of the Corporation Counsel's office to look into this aspect; that is, fraudulent use of these funds?

Mr. KNEIPP. This raises a nice point. It is not the job of the Corporation Counsel's office, to answer you specifically on that point, but there is a question in my mind as to just whose job it would be. Suppose 75 percent of solicited funds were used for administrative purposes, or 85 percent, there is nothing in the act which says that is bad.

Mr. HORTON. Is there a criminal statute which would be violated?

Mr. KNEIPP. No, sir, so long as there is no fraud. You could conceivably have some sort of solicitation conducted for snowblind Eskimos or something of that sort, and 99 percent of the funds went to administrative purposes and 1 percent went to the relief of snowblind Eskimos. This would still be a charitable purpose. There is no authority in the act that would allow the District to revoke the certificate of registration on the ground that it was not a charitable purpose.

Mr. HORTON. The reason I asked the question, the New York law came about as a result of fraudulent practices and misuse of these funds. The law was designed to cure these. Any type of charitable contribution drive must register and file reports with the attorney general's office. I just wondered, from the point of the District of

Columbia, whether this problem exists or whether there has been any attempt to ascertain whether there is a problem.

Mr. KNEIPP. There apparently is no problem as far as misuse of funds or excessive devotion of those funds to administrative purposes. The New York law has a 50 percent figure in it. Where less than 50 percent of the funds would be devoted to the purported purpose of the charitable organization, the attorney general can look into the matter and see whether the certificate of registration should be revoked.

The difficulty of setting a figure of that sort is that where a charity is beginning its operations, its administrative costs initially might be quite high. They might even run 65 or 75 percent. Whereas, as the organization gets going, its administrative costs can be reduced down to a much lower figure.

Mr. HORTON. The point I was trying to make—maybe I am wrong and, if I am, correct me—is that this series of sections with regard to registration does not have the same purpose that the New York statute did, and I am a little bit concerned about this matter of removing or taking away entirely the \$1,500 exemption, because I can see where this would make some hardship on the type of thing Mr. Harsha referred to.

I know back in my hometown of Rochester, many times Little League groups go out and, in some form or another, ask business organizations to contribute to the cause. I do not think the purpose of these statutes is to prevent fraud or to go that far. I would not want to see it get down to a matter of harassing these people just because of what has happened to this one organization.

Perhaps there is some middle line in between, maybe \$50 or \$100, something like that. I would be concerned about the degree of harassment that might go on with regard to the smaller attempts to solicit charitable contributions.

Mr. Dowdy. If the gentleman will yield, I think we are confusing the law we are trying to pass with some regulations that the Commissioners are talking about putting into effect.

Mr. HORTON. This is what he was talking about.

Mr. Dowdy. He is talking about some proposed regulations.

Mr. KNEIPP. Yes, Mr. Chairman, the proposed regulations would require that every solicitation of funds other than a true neighborhood emergency type of operation, where there is some human distress involved, would have to be under a certificate of registration for which application would be made, a 15-day waiting period, a fee of \$25 be paid, and this would hit the small organization, the Boys Club, the Girl Scout cookie drive, any number of things. To set a bottom figure, Mr. Horton, runs into a problem, too. Take the Mattachine Society—

Mr. HORTON. Excuse me. Before you get to that, in reply to the chairman's question, would you not have to amend subdivision (d) of 2-2103—

Provided, No exemption granted under the authority of this subsection shall exceed for any calendar year \$1,500 in money or property?

Mr. HARSHA. How could you possibly by regulation rescind this law which gives the \$1,500 exemption?

Mr. KNEIPP. That is merely authority of the Commissioners to make regulations respecting that matter.

Mr. HORTON. Subdivision (d) says:

The Commissioners may by regulation prescribe the terms and conditions under which solicitations, in addition to those enumerated in subsection (b) of this section, may be exempted from the provisions of subsection (a) of this section—

and a couple of other sections—

Provided, That no exemption granted under the authority of this subsection (d) shall exceed for any calendar year \$1,500 in money or property.

Mr. KNEIPP. I do not see the necessity for amending that section, no, sir. The Commissioners have adopted a regulation that allows solicitation without registration if the amount of money does not exceed \$1,500 and if no part of that money is utilized to pay any person. It has to be a purely voluntary solicitation.

Other than that, an organization can go out and solicit up to \$1,500 at the present time without a certificate of registration.

Under the proposed language that I have submitted to the Commissioners, the only type of solicitation that would be permitted at all without registration would be a true neighborhood emergency type, and we would eliminate any reference to this subsection (d), except in the case of a neighborhood emergency where human distress was involved.

I see no necessity for amending that section of the act. That section merely gives the Commissioners authority to make regulations.

Mr. DOWDY. It seems to me that much of this is getting away from the purpose—at least my purpose in introducing this legislation. As I understand from all you have said, if we amend the law as proposed here by you, even then the Mattachine Society can come in and ask you for a certificate to solicit charitable contributions—I will put “charitable” in quotes—for their immoral purposes, and you would have to issue it.

Mr. KNEIPP. I guess that is correct, sir.

Mr. DOWDY. Then your proposed amendment does not reach the problem one little bit. You are running off against Boy Scouts and Girl Scouts and Little League teams, punishing them instead of a bunch of immoral characters who want to take advantage of licenses to give themselves some sort of official standing in the community. I cannot understand that. Why do you not get to the problem, rather than jump onto some innocent organization which are trying to help young people. It is my desire to reach these people who are trying to pervert young people. I just cannot understand it.

Mr. KNEIPP. Mr. Chairman, I really am somewhat at a loss to suggest a good solution to that problem.

Mr. DOWDY. The Charitable Solicitation Act cannot serve the purpose for which it was intended if you have to grant these licenses without any question. You might as well not have it at all. Do you not think that the licensing officer should at least have the right to question an application by an organization which has highly questionable motives and membership and which is highly immoral?

Mr. KNEIPP. If standards were set up to guide him in that questioning. The difficulty is that the act says solicitation for an educational purpose is a charitable purpose, and these people are purporting to solicit for an educational purpose.

tended by the public interest. This organization—and there may be others of a similar vein—is purporting to educate the people with respect to the nature of homosexuality—

Mr. HORTON. Let's don't go into all that again. We have been into that before. I think the committee knows what is involved there. It seems to me it certainly is a far extension of the matter before the committee and what the committee is trying to accomplish, to go in and harass these organizations which are trying to do a job and which are legitimate, in this change of regulations to reduce that to \$1,500. It seems to me that what has happened with the Mattachine Society, the little league groups and other people who are legitimate should not have to come in and file and pay \$25. I cannot understand that. If you have fraud and if you have people who are going around making these solicitations who should not be making them, and if there is widespread misuse of charitable means to raise money to put money in people's pockets, then maybe we ought to think about that, but apparently you do not have that problem.

Mr. KNEIPP. No.

Mr. HORTON. I see no reason for us to take the extension of this group that is perverting the sections of the statute here and harass these other organizations. It seems to me we are going far afield. I have to agree with the chairman 100 percent.

Mr. HARSHA. Counsel, could you answer this? Will this phrase, "will benefit or assist in promoting the health, welfare, and morals of the District of Columbia" establish enough standards?

Mr. KNEIPP. I do not believe it would, Mr. Harsha, because again—I hate to keep reverting to this, but again, this organization is not proposing anything immoral. They are proposing to inform the public of the nature of homosexuality. They are not proposing any immoral act. It is an educational process.

Mr. HORTON. Let's don't get into that because their president did. He wanted to get rid of some sections in here that had to do with sodomy, and he wanted to make it legal. It was pretty brutal, I thought. I think it certainly immoral.

Mr. KNEIPP. I think at least the purported purpose of the solicitation is nothing more than you can get on your own. For example, I have here a clipping from the New York Times of December 17, 1963, a rather extensive discussion of the whole problem. In a way, it is educational in its nature. It sets up arguments—

Mr. HORTON. What was the date of that?

Mr. KNEIPP. December 17, 1963. It discusses the views of the experts on the problem, and to a certain extent this article from the New York Times is an educational article.

Mr. HUDDLESTON. Does it call it a problem?

Mr. KNEIPP. Yes, it does. The heading of the story says, "Growth of Overt Homosexuality in City Provokes Wide Concern." Then on the carryover page, "Growth of Overt Homosexuality Provokes Rising Concern." It is a rather thorough discussion. "Key to Problem Called Medical." In a sense, it is an educational thing.

As I understood the proposed solicitation, they were interested in educating the public in certain of these problems.

Getting back to Mr. Harsha's question: If this were a purely educational thing, with no effort to pervert or even to convince people of

the need for homosexuality, it would be a little arbitrary on the part of the District to say it is not in the public interest unless some standards are set up to guide the Commissioners. Just saying from our subjective point of view, "We, the Commissioners, feel this is not in the public interest," might subject them to some sort of legal proceedings.

Mr. DOWDY. You say that "health, welfare, and morals" is not a sufficient guideline. Yet, we have another law in which we have an agency that, because a building has some trash in its basement or does not have sufficient light in the hallway, can hold that is adverse to the health, welfare, and morals, and demolish a perfectly good building under the urban redevelopment law.

Mr. KNEIPP. I think, sir, there you have something you can point to.

Mr. DOWDY. You can point to these homosexuals just as plainly as you can point to a basket of trash in the basement of a million-dollar building and tear it down.

Mr. KNEIPP. I am afraid I have to disagree with you, Mr. Chairman. In one instance you have some actual condition that you can point to, to support your action. In the other instance, this interpretation of the value of this proposed solicitation, it is purely subjective and there is nothing that you can point to to demonstrate that this is or is not in the public interest. There is no factual condition.

Mr. DOWDY. I think all the laws, divine and manmade, point to homosexuality as being wrong and immoral.

Mr. KNEIPP. All three of the great religions agree on this, sir.

Mr. DOWDY. Do you not have something to point to there?

Mr. KNEIPP. But again, as I understand it, they are not proposing to pervert people. They are proposing to educate these people into the nature of the condition.

Mr. DOWDY. Instead of converting people into perversion, they are going to educate people into perversion? Is that what you mean? How do you distinguish between them?

Mr. HARSHA. I think he is trying to say there probably is a medical problem, and they are trying to educate people to understand they do have a problem and they need some sort of assistance and help to overcome this problem. It is not that they are trying to expand their organization or membership.

Mr. HORTON. That would be true if that was their purpose, but that was not their purpose.

Mr. HUDDLESTON. That was not the purpose stated by the president. The president said his purpose was to obtain acceptability of sexual perversion as a normal way of life.

Mr. HORTON. That is right.

Mr. DOWDY. Exactly.

Mr. HORTON. I cannot go with the educational definition there. I think the Corporation Counsel in the first instance could have taken this language and denied the application without any question. That is my own personal opinion. If the Corporation Counsel wants, whoever makes this decision wants, to be that technical, then it seems to me that the language ought to be changed so there will not be any question about it.

I would agree with the legal premise you are making, that when you set something down as in H.R. 5990, there must be some standards.

Those standards could be, it seems to me, set forth either in the bill or they could come up by regulation or by the Commissioners making some statement with regard to what they would consider.

It does seem to me this was a pretty farfetched and very technical interpretation of what an educational organization is in order to issue this certificate. I think it is just a mere matter of interpretation, and I think the Corporation Counsel's Office, or whoever is making this, is becoming awfully technical. There ought not to be even any need for this bill, as I see it.

Mr. Dowdy. Let me ask you this: Would it answer your purpose about having to hold hearings for everybody who filed an application, if the licensing authority should question the purposes of the organization as being such as to adversely affect the health, welfare, and morals of the District of Columbia, in that event no certificate of registration shall be issued unless the Commissioners shall have affirmatively found and declared that the solicitation certificate should be granted? Words to that effect?

Mr. KNEIPP. I think I suggested, Mr. Chairman, at the previous hearing, that if the first section of the bill, the language in the proposed new subsection (d) were expressed in the negative, that this would be an improvement over its present form.

Mr. Dowdy. Mr. Nottingham testified in substance—and it has been sometime since the hearings—that he did question this Mattachine application and didn't want to grant it, but he had to. After he consulted Corporation Counsel, he didn't want to issue it, but he had to, because he was told that he had to.

Mr. HARSHA. That is the point he is trying to make, that you can refuse an application.

Mr. Dowdy. That is what we are driving toward and the proposal of the Corporation Counsel would leave the law just exactly as it is.

Mr. HARSHA. I thought that was to be incorporated into your bill.

Mr. Dowdy. No; his is a substitute for the bill that I introduced.

Mr. HORTON. Is this offered as a substitute to the bill?

Mr. KNEIPP. Yes, sir.

Mr. HORTON. I thought it was an addition.

Mr. Dowdy. No; it is a substitute. They didn't want anything in here to make it possible to prevent—

Mr. HARSHA. So you have the same problem?

Mr. Dowdy. That's right. They don't want anything in here to make it possible to deny it.

Mr. HARSHA. Actually these 163 organizations that you refer to that solicit funds, would it actually require a great deal of hearings by the Commissioners or the licensing authority to make an affirmative finding in those cases? Aren't the great majority of them well known?

Mr. KNEIPP. I can't say how well known they are. I have a list of them here. I will just pick a few at random.

There is: the Advisory Board of Volunteers Service & Props, whatever that is. Then the Alexander G. Bell Association for the Deaf, Inc., Allied Youth, Inc., Almas Temple Shrine, Alsack Chapter of the National Capital Area—whatever that is—Boys School Educational Foundation, Atlantic Council of U.S., the American Cancer Society, which is certainly well known, the American Conservation Association, and American Field Service.

Many of these I have never heard of. How often they come in, how frequently, I don't know, sir.

Mr. HARSHA. How about this phrase "will benefit or assist in promoting the health, welfare, and morals of the District of Columbia" and providing further that the Commissioners may establish such rules and regulations, that they could interpret that in some way as to what—

Mr. KNEIPP. Yes; this might be an approach. If I might finish my first thought on this that I started to voice a little while ago, if that subsection were phrased in the negative so that the Commissioners were authorized to do this but not required to do it in advance of every application—if subsection (d) were phrased somewhat along these lines, "Notwithstanding any other provision of this Act, a certificate of registration issued after the date of the enactment of this subsection shall be subject to revocation if the Commissioners affirmatively find and publicly declare that the solicitation authorized by such certificate will not benefit or assist in promoting the health, welfare, or" not "and," "or the morals of the District of Columbia" and then allow the Commissioners to make regulations respecting that aspect of the problem. Then that would allow the Commissioners—if there is cause shown for the revocation—to have a hearing, to consider whether the certificate should be revoked on the ground that the actual solicitation at that point does not benefit or assist in promoting the health, welfare, or morals of the District of Columbia and if they so find and so declare, then the certificate could be revoked. This would be of assistance. This would provide authority that is not now in the act. And then the Commissioners under your suggestion perhaps could establish regulations setting up standards to guide their agency in taking this action. But that kind of authority is not now in the act, Mr. Chairman.

Mr. DOWDY. Why shouldn't it include words that would require the hearing in an instance as here, where the licensing authority questioned the propriety of it * * * have the hearing before he is forced to grant the solicitation certificate?

Mr. KNEIPP. You could phrase it both ways. But changing the language to the negative, "notwithstanding any other provision of this act, a certificate—" you would have to say "a certificate of registration for which application is made after the date of enactment of this subsection, may be denied or revoked," or "such certificate, if issued, may be revoked if the Commissioners affirmatively"—

Mr. HORTON. "Shall be."

Mr. KNEIPP. "Shall be revoked if the Commissioners affirmatively find and publicly declare that solicitation which would be authorized by such certificate, or is authorized by such certificate, does not benefit or assist in promoting the health, welfare, or the morals of the District of Columbia."

Then give the Commissioners authority to make regulations. Of course, they already have, Mr. Chairman, authority to make regulations to carry out the purpose of the act.

Mr. DOWDY. I don't think you need any more authority for that.

Mr. KNEIPP. What I have said is my personal view. I have not discussed this aspect with the Commissioners.

Mr. DOWDY. I think it is the only way we can get to the problem that confronts us, and the purpose of my bill.

Mr. HORTON. Mr. Chairman, on this matter, I would certainly approve it without the technical language that is involved here, because I think you would have to study it a little bit, but I would approve that approach of it. I think it would accomplish what we are trying to do. I would like to suggest that the Commissioners not proceed with this other road they are planning to go down. It seems to me this is the purpose. Unless there is an immediate problem or some type of thing that has been occurring here in the District that needs rectifying, it would seem to me we ought not to go that far, as you have suggested earlier, with regard to solicitation of these smaller groups.

Mr. KNEIPP. In other words, not eliminate the exemption provision that presently appears in the regulation.

Mr. HORTON. This would just be my own personal suggestion. I think it would be going kind of far to go that way.

Mr. HARSHA. I think you are going to work a hardship on some organizations like the Scouts, or the Little League, or the neighborhood ball club, or something like that, which are in themselves 100 percent legitimate.

Mr. KNEIPP. I agree.

May I say, Mr. Chairman, there is some need to correct this situation whereby the \$1,500 exemption provision is utilized as a loophole for the late filers. So I think maybe the Commissioners, perhaps, will want to do something in that area, but I am sure the Commissioners do not want to hurt the Little League baseball club or any boys' clubs or the Girl Scouts, or anything.

Mr. DOWDY. Your trouble is, and it often happens, you propose to go much too far to solve the problem confronting you, and as a result, do not meet it at all. For some reason, you forget about the original problem and strike out against innocent and beneficial organizations, which are charitable in truth and in fact. I cannot believe you and the Commissioners are doing this as a smokescreen for the Mattachines. I believe that is what Mr. Horton has reference to and certainly I agree with him 100 percent, and I think you understand it, too.

Mr. KNEIPP. The requiring of the true name as well as the assumed name would still be a desirable addition.

Mr. DOWDY. I think so.

Now, I have a question about this part of your amendment:

If any such officer be known to the general public by an assumed name, such assumed name may be employed in connection with the solicitation.

Don't you think you ought to require the use of his true name, too, as well as his alias?

Mr. KNEIPP. I don't think it would mean very much.

Mr. DOWDY. All the testimony received here indicates these homosexuals all have assumed names between themselves.

Mr. HUDDLESTON. But they are not assumed names to the general public.

Mr. DOWDY. To the general public they are known by their true names, I suppose, and they attempt not to be known as homosexuals.

Now, you might run into some problem there. I suppose most of these movie stars have some sort of—where they are operating under some assumed name, they have some sort of legal authority for it, and these homosexuals don't.

Mr. KNEIPP. I am not too sure about that. I can think of at least one very well-known individual in Washington, and I hesitate to mention his name in the context of this hearing, so I guess I won't. But I can think of one very well-known individual. You would never recognize his true name, and whether he signs legal documents with his assumed name or his true name, I don't know.

Mr. Dowdy. I imagine his lawyers would require him to use his true name in signing legal documents.

Mr. KNEIPP. Yes, but if he were heading up a charitable solicitation or authorized his name to be used, you would never recognize his true name.

Mr. Dowdy. And you don't think his alias should be shown?

Mr. KNEIPP. He would have to lend his assumed name to the purpose of the solicitation, but in the application he would have to show both his assumed name and his true name.

Mr. HUDDLESTON. His true name wouldn't be of any value in the solicitation.

Mr. KNEIPP. That is correct. No one would know who you refer to. But he is an extremely well known local celebrity.

Mr. Dowdy. Your proposed amendment says—

including, without limitation, the true names of the principal officers of each corporation and association filing any such application, and the correct address of the place of residence, and place of employment of each officer.

Why wouldn't that be enough? We would cut out the first proviso.

Mr. KNEIPP. About the assumed name?

Mr. Dowdy. Yes.

Mr. KNEIPP. I am afraid, Mr. Chairman, if we did that, we would have a little problem in just that kind of case I have mentioned.

Mr. Dowdy. Now, all this has reference to is the application. That is all it is referring to.

Does that first proviso serve any purpose?

Mr. KNEIPP. Yes, it allows the individual to use his assumed name in connection with the solicitation. He has got to show his real name in the application. The individual would have one name on the application and other other name on the solicitation, and they would be different.

Mr. Dowdy. All we are talking about right here in this particular section is the filing of the application.

If you want to provide in regulations that he can use his assumed name on the cards or whatever it is issued to him, I think you might do that, but I wonder if we should clutter the statutes with that provision? I certainly would not want to leave the impression that it was my intent, or the intent of Congress, to approve the use of assumed names, or an alias, in soliciting funds from the public.

Mr. HORTON. Your point is to put in the regulations?

Mr. Dowdy. Let him put a regulation in if he wants to, then it would be the Commissioner, rather than Congress, approving use of an alias for such purposes.

I don't want any misinterpretation of what we are trying to do.

Mr. KNEIPP. I think we could handle it that way. In other words, the application must show the individual's true name?

Mr. Dowdy. That's right. We would just take out the first proviso. I think the others are all right.

Mr. KNEIPP. And strike the word "further" at the beginning of the second proviso?

Mr. Dowdy. That is correct.

I believe that is all. Are there any further questions?

Mr. HARSHA. Unless we do correct this situation that exists now by the enactment of 5990, after it is revised and will probably be a new bill, getting at the problem in question, specifically, that any society under existing law and existing regulations can continue to solicit funds. So in order to head off any further activity of that kind, either this committee will have to enact adequate legislation to meet the problem, or you will have to do it by regulation by the Commissioners, will you not?

Mr. KNEIPP. Yes, they can.

Mr. Dowdy. And you feel under the present law you couldn't touch that by regulation?

Mr. KNEIPP. We cannot deny them a certificate of registration.

Mr. HARSHA. You couldn't even enact regulations that would deny them a certificate?

Mr. KNEIPP. That's right. All we can do is enact regulations that might require them to give additional information and might in some respects put some burden on them in that regard.

Mr. HARSHA. But it still would not prohibit them from these purposes that the chairman of the president of the organization said they would like to raise money for, is that it? We would have to do it by legislation, here?

Mr. KNEIPP. You would have to give the Commissioners some authority to deny or revoke a certificate.

Mr. Dowdy. I believe that is all. Thank you.

(Whereupon, at 12:20 p.m., the committee was adjourned, sine die.)

APPENDIX

DISTRICT OF COLUMBIA CHARITABLE SOLICITATIONS ACT (1957)

PUBLIC LAW 85-87

85th Congress, H.R. 3400

July 10, 1957

To provide full and fair disclosure of the character of charitable, benevolent, patriotic, or other solicitations in the District of Columbia; and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "District of Columbia Charitable Solicitation Act".

SEC. 2. As used in this Act—

(a) The term "Commissioners" means the Commissioners of the District of Columbia, sitting as a board, or any agent or agency designated by them to perform any function vested in the Commissioners by this Act.

(b) The term "registrant" means the holder of a valid certificate of registration duly issued under the terms of this Act.

(c) "Solicit" and "solicitation" mean the request directly or indirectly for any contribution on the plea or representation that such contribution will or may be used for any charitable purpose, and also mean and include any of the following methods of securing contributions:

(1) Oral or written request;

(2) The distribution, circulation, mailing, posting, or publishing of any handbill, written advertisement, or publication;

(3) The making of any announcement to the press, over the radio, by television, by telephone, or telegraph concerning an appeal, assemblage, athletic or sports event, bazaar, benefit, campaign, contest, dance, drive, entertainment, exhibition, exposition, party, performance, picnic, sale, or social gathering, which the public is requested to patronize or to which the public is requested to make a contribution;

(4) The sale of, offer, or attempt to sell, any advertisement, advertising space, book, card, magazine, merchandise, subscription, ticket of admission, or any other thing, or where the name of any charitable person is used or referred to in any such appeal as an inducement or reason for making any such sale, or when or where in connection with any such sale, any statement is made that the whole or any part of the proceeds from any such sale will go or be donated to any charitable purpose.

A "solicitation" as defined herein shall be deemed completed when made, whether or not the person making the same receives any contribution or makes any such sale.

(d) "Charitable" means and includes philanthropic, social service, patriotic, welfare, benevolent, or educational (except religious education), either actual or purported.

(e) "Contribution" means and includes alms, food, clothing, money, subscription, credit, property, financial assistance, or donations under the guise of a loan of money or property.

(f) "Person" means any individual, firm, copartnership, corporation, company, association, or joint stock association, church, religious sect, religious denomination, society, organization, or league, and includes any trustee, receiver, assignee, agent, or other similar representative thereof.

SEC. 3. (a) The Commissioners are authorized and empowered—

(1) to administer and enforce the provisions of this Act;

(2) to investigate the allegations of any application for a certificate of registration;

(3) to have access to and inspect and make copies of all the financial books, records, and papers of any person making any solicitation or on whose behalf any solicitation is made;

(4) to investigate at any time the methods of making or conducting any solicitation;

(5) to issue a certificate of registration to any person filing an application pursuant to this Act;

(6) to suspend or revoke any certificate of registration or solicitor information card, on the ground that the holder of such certificate or card has violated any provision of this Act or any regulation promulgated pursuant thereto. The Commissioners shall give to the interested person or persons an opportunity for a hearing after reasonable notice thereof before suspending or revoking any such certificate or card;

(7) to prescribe by regulation the form of and the information to be contained in the solicitor information cards required by this Act, and to prescribe the manner of reproduction and authentication of such cards; and

(8) to publish, in any manner they deem appropriate, the results of any investigation authorized by this Act. The Commissioners shall, in publishing the results of any such investigation, have power to publish information concerning the officers and members of the governing board of any organization coming within the purview of this Act: *Provided*, That such information shall not include membership and contribution lists of any such organization.

(b) The Commissioners are authorized to prescribe and collect fees for the filing of applications, issuance of certificates of registration, and any other service which this Act authorizes to be performed by the Commissioners. The Commissioners shall fix such fees in such amounts as will, in their judgment, approximate the cost to the District of Columbia of such services. In fixing such fees the Commissioners may, in their discretion, prescribe either uniform fees or varying schedules of fees based on actual or estimated amounts solicited or to be solicited by registrants or applicants for certificates of registration. No fees may be fixed pursuant to this section until after a public hearing has been held thereon pursuant to reasonable notice thereof.

SEC. 4. (a) No person shall solicit in the District of Columbia unless he holds a valid certificate of registration authorizing such solicitation.

(b) The provisions of this Act shall not apply to any person making solicitations, including solicitations for educational purposes, solely for a church or a religious corporation or a corporation or an unincorporated association under the supervision and control of any such church or religious corporation: *Provided*, That such church, religious corporation, corporation or unincorporated association is an organization which has been granted exemption from taxation under the provisions of section 501 of the Internal Revenue Code of 1954: *Provided further*, That such exemption from the provisions of this Act shall be in effect only so long as such church, religious corporation, corporation or unincorporated association shall be exempt from taxation under the provisions of section 501 of the Internal Revenue Code of 1954.

(c) The provisions of subsection (a) of this section and sections 5, 6, 7, and 9 shall not apply to any person making solicitations (1) solely for the American National Red Cross or (2) exclusively among the membership of the soliciting agency.

(d) The Commissioners may by regulation prescribe the terms and conditions under which solicitations in addition to those enumerated in subsection (b) of this section may be exempted from the provisions of subsection (a) of this section and sections 6 and 7: *Provided*, That no exemption granted under authority of this subsection (d) shall exceed for any calendar year \$1,500 in money or property.

SEC. 5. (a) Application for such certificate of registration shall be made upon such form or forms as shall be prescribed by the Commissioners, shall be sworn to and shall be filed with the Commissioners at least fifteen days prior to the time when the certificate of registration applied for shall become effective. Each such application shall contain such information as the Commissioners shall by regulation require.

(b) If, while any application is pending, or during the term of any certificate of registration granted thereon, there is any change in fact, policy, or method from the information given in the application, the applicant or registrant shall within ten days after such change report the same in writing to the Commissioners.

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(c) The Commissioners shall issue a certificate, ~~within~~ ^{within} ~~ten~~ ^{ten} days after the filing of an application therefor: *Provided*, ~~that~~ ^{that} the opinion of the Commissioners the application does not disclose information required by this Act or the regulations made pursuant to such application, then the applicant shall file in writing, exclusive of Sundays and legal holidays, after a demand thereon, such additional information as may be required by the Commissioners: *Provided further*, That the Commissioners, for good cause shown by the applicant, may extend the time for filing such additional information: *Provided further*, That the Commissioners may withhold the issuance of a certificate of registration until such additional information is furnished. Each certificate of registration shall be valid for such period of time as shall be specified therein.

Sec. 6. (a) No individual shall solicit in the District of Columbia unless he exhibits a solicitor information card or a copy thereof, produced and authenticated as provided in regulations made pursuant to this Act, and reads it to the person solicited, or presents it to said person for his perusal, allowing him sufficient opportunity to read such card before accepting any contribution so solicited.

(b) No individual shall solicit in the District of Columbia by printed matter or published article, or over the radio, television, telephone, or telegraph, unless such publicity shall contain the data and information required to be set forth on the solicitor information card: *Provided*, That when any solicitation is made by telephone, the solicitor shall present to each person who consents or indicates a willingness to contribute, prior to accepting a contribution from said person, such solicitor information card or a copy thereof produced and authenticated as provided in regulations made pursuant to this Act.

Sec. 7. Each registrant shall, within thirty days after the period for which a certificate of registration has been issued, and within thirty days after a demand therefor by the Commissioners, file a report with the Commissioners, stating the contributions secured as a result of any solicitation authorized by such certificate and in detail all expenses of or connected with such solicitation, and showing exactly for what use and in what manner all such contributions were or are intended to be dispensed or distributed.

Sec. 8. No person shall make or cause to be made any representation that the issuance of a certificate of registration or of a solicitor information card is a finding by the Commissioners (1) that the statements contained in the registrant's application are true and accurate, (2) that the application does not omit a material fact, or (3) that the Commissioners have in any way passed upon the merits or given approval to such solicitation.

Sec. 9. No person shall for pecuniary compensation or consideration conduct or make any solicitation by telephone for or on behalf of any actual or purported charitable use, purpose, association, corporation, or institution.

Sec. 10. The Commissioners may appoint an advisory committee to advise the Commissioners in respect to any matter related to the enforcement of this Act, and the members thereof shall serve without compensation. Such committee shall consist of not less than five nor more than nine members, whose terms shall be fixed by the Commissioners. The Commissioners are authorized to assign an employee of the District of Columbia to serve as secretary for the committee.

Sec. 11. The Commissioners are authorized to promulgate regulations to carry out the purposes of this Act: *Provided*, That no such regulation shall be put in effect until after a public hearing has been held thereon.

Sec. 12. (a) No person who is required to obtain a certificate of registration under this Act shall, for the purpose of soliciting contributions, use the name of any other person, except that of an officer, director, or trustee of the organization for which contributions are solicited, without the written consent of such other person.

(b) A person shall be deemed to have used the name of another person for the purpose of soliciting contributions if such latter person's name is listed on any stationery, advertisement, brochure, or correspondence in or by which a contribution is solicited by or on behalf of a charitable organization or his name is listed or referred to in connection with a request for a contribution as one who has contributed to, sponsored, or endorsed the charitable organization or its activities.

(c) Nothing contained in this section shall prevent the publication of names of contributors without their written consents, in an annual or other periodic report issued by a charitable organization for the purpose of reporting on its

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membership or for the purpose of reporting contri-

Any person violating any provision of this Act, or regulation thereunder, or filing, or causing to be filed, an application or report under this Act, or regulation made pursuant thereto, containing any false statement, shall be punished by a fine of not more than \$500, or by imprisonment for not more than sixty days, or by both such fine and imprisonment, at the discretion of the court.

(c) The Corporation Counsel or any of his assistants, by the District Court for the District of Columbia in the name of the District of Columbia to enjoin any person from soliciting in violation of this Act or in violation of any regulation made pursuant to this Act.

Sec. 14. Where any provision of this Act refers to an office or agency abolished by Reorganization Plan Number 5 of 1962 (66 Stat. 824), such reference shall be deemed to be the office, agency, or officer now or hereafter exercising the functions of the office or agency so abolished. Nothing contained in this Act shall be construed as a limitation on the authority vested in the Commissioners, by Reorganization Plan Number 5 of 1962.

Sec. 15. If any provision of this Act, or the application thereof to any persons or circumstances, is held invalid, the remainder of the Act and the application of such provision to other persons or circumstances, shall not be affected thereby.

Sec. 16. Such appropriations as may be necessary to carry out the purposes of this Act are authorized.

Sec. 17. The provisions of sections 10, 11, and 16 of this Act shall take effect upon approval of this Act and the remainder thereof shall take effect sixty days after the promulgation of the first regulations made pursuant to section 11 of this Act.

Approved July 10, 1967.

ILLINOIS CRIMINAL CODE (1961)

Chapter 38, Section 141

Punishment—The infamous crime against nature, either with man or beast, shall subject the offender to be punished by imprisonment in the penitentiary for a term of not less than one year and not more than ten years. (1874, March 27, R. S. 1874, p. 348, div. 1, Sec. 47; 1919, June 28, Laws 1919, p. 426, Sec. 1.)

ILLINOIS CRIMINAL CODE (1961)

Chapter 38, Section 11-3

Deviate Sexual Assault

(a) Any person of the age of 14 years and upwards who, by force or threat of force, compels any other person to perform or submit to any act of deviate sexual conduct commits deviate sexual assault.

(b) Penalty. A person convicted of deviate sexual assault shall be imprisoned in the penitentiary from one to 14 years.

PENAL CODE OF CALIFORNIA

§ 647. Vagrancy; definitions; punishment

1. Every person (except a California Indian) without visible means of living who has the physical ability to work, and who does not seek employment, nor labor when employment is offered him; or

2. Every beggar who solicits alms as a business, or,

3. Every person who roams about from place to place without any lawful business; or,